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CHINA HEALTH

China Health Technology Group Holding Company Limited

中國健康科技集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1069)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 30 June 2025 (“**FY2025**”) amounted to approximately Renminbi (“**RMB**”) 90.2 million (year ended 30 June 2024 (the “**FY2024**”): approximately RMB47.6 million).
- Profit attributable to owners of the Company for FY2025 amounted to approximately RMB22.7 million (FY2024: approximately RMB200.0 million).
- Total comprehensive income attributable to owners of the Company for FY2025 amounted to approximately RMB28.2 million (FY2024: approximately RMB204.0 million).
- The gearing ratio as at 30 June 2025 was approximately 77.3% (2024: 92.7%), representing a decrease of 15.4 percentage point as compared with 2024.
- Basic earnings per share for FY2025 amounted to RMB2.75 cents (FY2024: RMB29.79 cents).
- The board of directors of the Company does not recommend the payment of any dividend for FY2025 (FY2024: nil).

FINANCIAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of China Health Technology Group Holding Company Limited (the “**Company**”) hereby announces the consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 30 June 2025 (the “**FY2025**”) together with the comparative figures for the year ended 30 June 2024 (the “**FY2024**”) as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	Notes	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	4	90,215	47,606
Cost of sales		(82,002)	(45,709)
Gross profit		8,213	1,897
Other income	6	328	16
Other gains, net	7	34,528	22,205
Gain on debt restructuring		–	202,024
Selling and distribution expenses		(862)	(1,421)
Administrative expenses		(15,678)	(21,472)
Finance costs	8	(3,503)	(3,229)
Profit before tax		23,026	200,020
Income tax expense	9	(315)	(7)
Profit for the year	10	22,711	200,013
Other comprehensive income			
<i>Item that may be subsequently reclassified to profit or loss</i>			
Exchange differences on translation of financial statements of foreign operations		5,505	4,036
Total comprehensive income for the year		28,216	204,049
		<i>RMB cents</i>	<i>RMB cents</i>
Earnings per share			
	12		
Basic		2.75	29.79
Diluted		N/A	N/A

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets			
Property, plant and equipment		1,960	1,267
Right-of-use assets		37,743	42,275
Plantation forestry assets		50,650	50,670
Plantation ginseng assets		38,400	29,400
Plantation horny goat weed assets		16,623	7,232
		145,376	130,844
Current assets			
Inventories		1,480	1,309
Trade and other receivables	<i>13</i>	37,836	18,530
Deposits and prepayments		16,235	24,253
Bank balances and cash		4,490	3,230
		60,041	47,322
Current liabilities			
Trade and other payables	<i>14</i>	29,029	16,304
Contract liabilities		11,597	28,209
Lease liabilities		711	3,225
Income tax payable		1,736	1,577
		43,073	49,315
Net current assets/(liabilities)		16,968	(1,993)
Total assets less current liabilities		162,344	128,851

		2025	2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current liabilities			
Promissory notes payable		115,624	115,153
Lease liabilities		<u>—</u>	<u>735</u>
		<u>115,624</u>	<u>115,888</u>
Net assets		<u>46,720</u>	<u>12,963</u>
Capital and reserves			
Share capital	15	7,853	6,564
Reserves		<u>38,867</u>	<u>6,399</u>
Total equity		<u>46,720</u>	<u>12,963</u>

NOTES

For the year ended 30 June 2025

1. GENERAL INFORMATION

The Company is a public limited company incorporated in the Cayman Islands. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The addresses of the registered office and the principal place of business are PO Box 1350, Windward 3 Regatta Office Park, Grand Cayman, KY1-1108, Cayman Islands and Unit 12, 12/F., Tower A, New Mandarin Plaza, No. 14 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong respectively. The Group is principally engaged in forestry management, ginseng plantation and trading, horny goat weed plantation and trading, health products trading and investment holding.

The Group commenced its business in trading of health products since November 2024.

The functional currency of the Company is Hong Kong dollars ("**HK\$**") while the functional currency of the subsidiaries of the Company established in the People's Republic of China (the "**PRC**") is Renminbi ("**RMB**"). For the purpose of presenting the consolidated financial statements, the Group adopted RMB as its presentation currency as to better reflect the financial results and performance of the main operation of the Group.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards, which collective terms includes all applicable individual Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and by the Hong Kong Companies Ordinance.

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on 1 July 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's consolidated financial position and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Annual Improvements to HKFRS Accounting Standards	Annual Improvement to HKFRS Accounting Standards – Volume 11 ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ³
Amendments to HK Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ⁴
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability ²
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined by the HKICPA

² Effective for annual periods beginning on or after 1 January 2025

³ Effective for annual periods beginning on or after 1 January 2026

⁴ Effective for annual periods beginning on or after 1 January 2027

The Directors anticipate that all of the pronouncements of new and amendments to HKFRS Accounting Standards and Interpretation will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new HKFRS Accounting Standard that are expected to have impact on the Group's accounting policies is provided below. Other amendments to HKFRS Accounting Standards and Interpretation are not expected to have a material impact on the Group's consolidated financial statements.

HKFRS 18 *Presentation and Disclosure in Financial Statements*

HKFRS 18 *Presentation and Disclosure in Financial Statements* (“**HKFRS 18**”), which sets out requirements on presentation and disclosures in consolidated financial statements, will replace HKAS 1 *Presentation of Financial Statements* (“**HKAS 1**”). This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the consolidated statements of profit or loss; provide disclosures on management-defined performance measures in the notes to the consolidated financial statements; and improve aggregation and disaggregation of information to be disclosed in the consolidated financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and HKFRS 7 *Financial Instruments: Disclosures*. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of HKFRS 18 is expected to affect the presentation of the consolidated statement of profit or loss and disclosures in the future consolidated financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group’s consolidated financial statements.

4. REVENUE

An analysis of the Group’s revenue is as follows:

	2025 RMB’000	2024 RMB’000
Revenue from contracts with customers within the scope of HKFRS 15 and recognised at a point in time		
Sales of timber related products	36,633	32,521
Sales of ginseng related products	39,467	15,085
Sales of health products	14,115	–
	<u>90,215</u>	<u>47,606</u>

Revenue from sales of above product is recognised at point in time when the control of the goods are transferred to customers.

5. SEGMENT INFORMATION

Information reported to the chairman of the Board (being the chief operating decision maker) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods and services delivered.

The Group’s reportable operating segments are analysed as follows:

- (i) Forestry Business – plantation, logging and sale of timber related products;
- (ii) Ginseng Business – ginseng plantation and trading of related products; and
- (iii) Horny Goat Weed Business – horny goat weed plantation and trading of related products; and
- (iv) Health products business – trading of health products.

Information regarding the above segments for the years ended 30 June 2025 and 2024 is presented below.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

For the year ended 30 June 2025

	Forestry Business <i>RMB'000</i>	Ginseng Business <i>RMB'000</i>	Horny Goat Weed Business <i>RMB'000</i>	Health Products Business <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue	<u>36,633</u>	<u>39,467</u>	<u>–</u>	<u>14,115</u>	<u>90,215</u>
Segment profit	<u>19,631*</u>	<u>8,239**</u>	<u>–</u>	<u>2,327</u>	<u>30,197</u>
Bank interest income					3
Impairment loss on other receivables					(257)
Loss on disposal of a subsidiary					(22)
Other unallocated expenses					(3,392)
Finance costs					<u>(3,503)</u>
Profit before tax					<u><u>23,026</u></u>

For the year ended 30 June 2024

	Forestry Business <i>RMB'000</i>	Ginseng Business <i>RMB'000</i>	Horny Goat Weed Business <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue	<u>32,521</u>	<u>15,085</u>	<u>–</u>	<u>47,606</u>
Segment profit/(loss)	<u>18,642*</u>	<u>(6,937)**</u>	<u>–</u>	<u>11,705</u>
Bank interest income				4
Gain on debt restructuring				202,024
Impairment loss on other receivables				(228)
Loss on disposal of a subsidiary				(301)
Other unallocated expenses				(9,955)
Finance costs				<u>(3,229)</u>
Profit before tax				<u><u>200,020</u></u>

	2025 RMB'000	2024 <i>RMB'000</i>
* Segment loss of Forestry Business before change in fair value less costs to sell of plantation forestry assets and impairment loss	(10,619)	(13,767)
Net gain on change in fair value less costs to sell of plantation forestry assets	30,454	32,559
Impairment loss on trade receivables	(204)	(150)
Segment profit of Forestry Business	19,631	18,642
	2025 RMB'000	2024 <i>RMB'000</i>
** Segment profit/(loss) of Ginseng Business before change in fair value less costs to sell of plantation ginseng assets and impairment loss	3,704	(82)
Net gain/(loss) on change in fair value less costs to sell of plantation ginseng assets	4,553	(6,855)
Impairment loss on trade receivables	(18)	–
Segment profit/(loss) of Ginseng Business	8,239	(6,937)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the years ended 30 June 2025 and 2024.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/loss represent the profit earned/loss incurred from each segment without allocation of central administrative costs including directors' salaries and other corporate administrative costs, bank interest income, gain on debt restructuring, loss on disposal of a subsidiary, impairment loss on other receivables and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

Segment assets and liabilities

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Segment assets		
Forestry Business	112,436	98,594
Ginseng Business	65,183	62,779
Horny Goat Weed Business	16,623	7,232
Health Products Business	2,718	–
Total segment assets	196,960	168,605
Unallocated assets	8,457	9,561
Consolidated total assets	205,417	178,166
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Segment liabilities		
Forestry Business	3,304	3,507
Ginseng Business	26,048	33,892
Horny Goat Weed Business	–	–
Health Products Business	285	–
Total segment liabilities	29,637	37,399
Unallocated liabilities	129,060	127,804
Consolidated total liabilities	158,697	165,203

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than bank balances and cash and other assets for corporate use including certain property, plant and equipment, other receivables and deposits and prepayments. Assets used jointly by segments are allocated on the basis of the revenue earned by individual segments; and
- all liabilities are allocated to operating segments other than promissory notes payable, income tax payable and certain other payables. Liabilities for which segments are jointly liable are allocated in proportion to segment assets.

Other segment information

For the year ended 30 June 2025

	Forestry Business <i>RMB'000</i>	Ginseng Business <i>RMB'000</i>	Horny Goat Weed Business <i>RMB'000</i>	Health Products Business <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
Amounts included in the measure of segment profit/loss or segment assets						
Additions to non-current assets (<i>Note</i>)	6,158	18,916	9,391	–	–	34,465
Depreciation of property, plant and equipment	230	25	–	–	–	255
Depreciation of right-of-use assets	2,623	1,875	–	–	–	4,498
Net gain on change in fair value less costs to sell of plantation assets	(30,454)	(4,553)	–	–	–	(35,007)
Impairment losses recognised in respect of:						
– trade receivables	204	18	–	–	–	222
– other receivables	–	–	–	–	257	257

For the year ended 30 June 2024

	Forestry Business <i>RMB'000</i>	Ginseng Business <i>RMB'000</i>	Horny Goat Weed Business <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
Amounts included in the measure of segment profit/loss or segment assets					
Additions to non-current assets (<i>Note</i>)	2,212	16,818	7,232	–	26,262
Depreciation of property, plant and equipment	247	10	–	–	257
Depreciation of right-of-use assets	2,787	2,093	–	–	4,880
Net (gain)/loss on change in fair value less costs to sell of plantation assets	(32,559)	6,855	–	–	(25,704)
Impairment losses recognised in respect of:					
– trade receivables	150	–	–	–	150
– other receivables	–	–	–	228	228
– right-of-use assets	3,152	–	–	–	3,152
Reversal of impairment losses on trade receivables	(332)	–	–	–	(332)

Note: The additions to non-current assets exclude the financial assets.

Geographical information

Information about the Group's revenue from external customers is presented based on the location of customers as below:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
The People's Republic of China (the "PRC")	76,100	47,606
Hong Kong	14,115	—
	<u>90,215</u>	<u>47,606</u>

Information about the Group's assets and liabilities based on the geographical location of the assets is not presented as the Group's assets and liabilities are substantially located in the PRC.

Information about major customers

Revenue from individual customers contributing over 10% (2024: 10%) of the revenue of the Group is as follows:

		2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Customer A	Forestry Business	N/A (note)	16,804
Customer B	Forestry Business	N/A (note)	9,359
Customer C	Ginseng Business	N/A (note)	5,018

Note: The corresponding revenue did not contribute over 10% of the total revenue of the Group.

6. OTHER INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank interest income	3	4
Sundry income	325	12
	<u>328</u>	<u>16</u>

7. OTHER GAINS, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Gain on disposal of property, plant and equipment	22	–
Impairment losses recognised in respect of:		
– trade receivables	(222)	(150)
– other receivables	(257)	(228)
– right-of-use assets	–	(3,152)
Net gain/(loss) on change in fair value less costs to sell of plantation		
– forestry assets	30,454	32,559
– ginseng assets	4,553	(6,855)
Reversal of impairment losses on trade receivables	–	332
Loss on disposal of a subsidiary	(22)	(301)
	<u>34,528</u>	<u>22,205</u>

8. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on:		
– promissory notes payable	3,334	3,001
– lease liabilities	169	228
	<u>3,503</u>	<u>3,229</u>

9. INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
PRC Enterprise Income Tax	126	7
Hong Kong Profits Tax	189	–
	<u>315</u>	<u>7</u>

10. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Directors' emoluments	792	1,319
Other staff costs	<u>2,091</u>	<u>1,989</u>
Total staff costs	<u>2,883</u>	<u>3,308</u>
Auditor's remuneration		
– audit services	950	950
Cost of timber harvested	36,633	32,522
Cost of ginseng harvested	14,469	2,562
Cost of ginseng trading	19,755	10,625
Cost of health products trading	11,145	–
Depreciation charge in respect of:		
– property, plant and equipment	255	257
– right-of-use assets	4,498	4,880
Short-term lease expenses	<u>596</u>	<u>532</u>

11. DIVIDEND

No dividend was paid, declared or proposed during the year ended 30 June 2025 (2024: Nil), nor had any dividend been proposed since the end of the reporting period (2024: Nil).

12. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company is based on the following data:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings		
Profit for the year attributable to owners of the Company		
for the purpose of calculating basic earnings per share	<u>22,711</u>	<u>200,013</u>
	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares in issue during the year		
for the purpose of calculating basic earnings per share	<u>825,549</u>	<u>671,415</u>

No diluted earnings per share were presented as there were no potentially dilutive ordinary shares in issue during the years ended 30 June 2025 and 2024.

13. TRADE AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	33,796	17,343
Other receivables	4,040	1,187
	<u>37,836</u>	<u>18,530</u>

The Group generally allows an average credit period of 120 days (2024: 120 days) to its trade customers, where partial payment in advance is normally required. The Group does not hold any collateral over these balances. The following is an aged analysis of trade receivables, net of allowance for impairment losses, presented based on invoice dates:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0–90 days	25,708	16,924
91–180 days	8,088	419
	<u>33,796</u>	<u>17,343</u>

14. TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	5,535	3,746
Amounts due to former directors and existing shareholders	22,486	9,066
Other payables and accrued charges	1,008	3,492
	<u>29,029</u>	<u>16,304</u>

The average credit period on purchase of goods is within 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

The following is an aged analysis of trade payables presented based on invoice dates:

	2025 RMB'000	2024 <i>RMB'000</i>
0–30 days	5,330	3,541
Over 90 days	205	205
	<u>5,535</u>	<u>3,746</u>

15. SHARE CAPITAL

	Par value <i>HK\$</i>	Number of ordinary shares <i>'000</i>	Nominal amount of ordinary shares <i>HK\$'000</i>
Authorised:			
At 1 July 2023	0.002	50,000,000	100,000
Share reorganisation	<u>–</u>	<u>(40,000,000)</u>	<u>–</u>
At 30 June 2024, 1 July 2024 and 30 June 2025	<u>0.01</u>	<u>10,000,000</u>	<u>100,000</u>

	Par value <i>HK\$</i>	Number of ordinary shares <i>'000</i>	Nominal amount of ordinary shares <i>HK\$'000</i>	Carrying amount <i>RMB'000</i>
Issued and fully paid:				
At 1 July 2023	0.002	11,024,220	22,048	19,016
Share reorganisation	–	(10,913,978)	(20,946)	(18,006)
Placing of new shares	<u>0.01</u>	<u>606,000</u>	<u>6,060</u>	<u>5,554</u>
	0.01	(10,307,978)	(14,886)	(12,452)
At 30 June 2024 and 1 July 2024	0.01	716,242	7,162	6,564
Placing of new shares	<u>0.01</u>	<u>143,000</u>	<u>1,430</u>	<u>1,289</u>
At 30 June 2025	<u>0.01</u>	<u>859,242</u>	<u>8,592</u>	<u>7,853</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business and Operational Review

The Group is principally engaged in the businesses of forestry management, ginseng plantation and trading, horny goat weed plantation and trading, health products trading and investment holding.

Forestry Management Business

The Group has been engaging in the forestry management business since 2013. Revenue generated from the Group's forestry management business is mainly derived from sales of timber logs which are harvested from the Group's forests. The Group recognises revenue from timber log sales when control of the relevant goods is transferred to the customers.

As at the date of this announcement, all of the forest lands owned by the Group are located in the Sichuan Province in the PRC.

The table below sets forth all forest land owned by the Group:

Name	Location	Size	Type of timber
Hengchang Forests	Muma Town, Jiange County of Sichuan Province	21,045 Chinese Mu (equivalent to 1,403 hectares)	Cypress
Kunlin Forests	Zhengxing Town, Jiange County of Sichuan Province	9,623 Chinese Mu (equivalent to 642 hectares)	Cypress
Senbo Forests	Yixing Town, Jiange County of Sichuan Province	13,219 Chinese Mu (equivalent to 881 hectares)	Cypress
Ruixiang Forests	Longyuuanzhen, Houshixiang and Dianzixiang Town, Jiange County of Sichuan Province	30,653 Chinese Mu (equivalent to 2,044 hectares)	Cypress
Wantai Forests	Kaifeng Town, Yingshui Village, Guangping Village, and Zheba Village, Jiange County of Sichuan Province	42,814 Chinese Mu (equivalent to 2,854 hectares)	Cypress

In December 2024, the Group successfully obtained the logging permits for the calendar year of 2024 with logging quantity of 5,648 cubic meters in aggregate and in June 2025, the Group successfully obtained the logging permits for the calendar of 2025 with logging quantity of 12,368 cubic meters in aggregate. During FY2025, the Group has completed the sales of logging quantity of approximately 18,016 cubic meters and has generated logging revenue of approximately RMB36.6 million.

Ginseng Business

To fully utilise the woodland of the Group and to maximise shareholders' return, the Group has begun the plantation of ginseng in the Group's existing forests and has commenced the trading of ginseng in August 2022.

During the year ended 30 June 2023, the Group has entered into a legally-binding ginseng planting framework agreement with an independent third party supplier (the "**Supplier**") for the plantation of ginseng on the Senbo Forest. Pursuant to the said framework agreement, the Supplier will be responsible for, among others, the supply of ginseng seeds and culture medium, and provision of technical support and maintenance services (including fertilisation, weeding, insecticide and soil preparation) to the Group for a period of 10 years.

In December 2022, the Group has completed the first phrase of ginseng seeding according to its ginseng plantation plan of approximately 6 million pieces on the designated 59 Chinese Mu forest land in the Senbo Forest, which are to be sold in batches within 5 years. During the FY2025, the Group recorded the revenue in sales of self-grown ginseng of approximately RMB14.5 million (FY2024: approximately RMB2.56 million).

As it will take time for the Group to self-grow its inventory of aged ginseng, as well as to capture the market share and develop its customer base in the ginseng industry in the PRC, the Group has also commenced the ginseng trading business in August 2022 by purchasing aged ginseng. The Group has also entered into a long-term supply framework agreement with the Supplier to ensure the stable supply of aged ginseng. Revenue currently generated from the ginseng business is derived from the sale of ginseng that are purchased from the Supplier and self-grown ginseng. During FY2025, the Group has recorded revenue of approximately RMB39.5 million from the ginseng business, including approximately RMB25.0 million derived from the sale of ginseng purchased from suppliers and approximately RMB14.5 million from its self-grown ginseng.

Health Products Business

The Group commenced its business in manufacturing and trading of health products since November 2024 and has opened a 150-square-foot store in Hong Kong. The store is currently selling ginseng gift boxes under our own brand name and other health products. The ginseng are sourced from outside suppliers and packaged by a third-party factory.

The Group produced ginseng gift boxes using our self-grown ginseng in the first half of 2025, which will be processed and packaged through a third-party factory according to our quality standards and formulations. We created exquisite gift boxes under our brand to sell in the retail market. In addition to producing our own brand, our stores introduced other brands for sale in the store.

The Group aims to provide customers with high-quality health products and promote our business growth continuously. During FY2025, the Group has recorded revenue of approximately RMB14.1 million from the health products business.

Prospect

In respect of the forestry management business, In June 2025, the Group has obtained the logging permits for the calendar year of 2025 with logging quantity of 18,016 cubic meters in aggregate, which is higher than the logging quantity obtained last year.

In respect of the ginseng business, to reduce reliance on the Supplier, the Group intends to gradually decrease the purchases of aged ginseng from the Supplier when it has self-grown sufficient inventory of aged ginseng. Currently, the Group successfully cultivated the first phase of ginseng and sold them every year. The ginseng plants from the plantation process shares the same genes as those supplied by the Supplier, therefore the quality of which is guaranteed. Nonetheless, the Group will conduct self-inspection from time to time and engages third-party laboratory for laboratory testing on an annual basis in order to ensure the quality of its ginseng and the nutrient content is able to meet the customer requirements.

The Group has commenced the manufacturing and trading of health products since November 2024. The business is currently focused in Hong Kong, the Group aims to expand its market into China in the future.

In June 2024, the Group has successfully planted the first batch of horny goat weed in its forest land owned by the Group and added 28 Chinese mu of horny goat weed cultivation in July 2024. It is expected the horny goat weed will be sold to customers by June 2026 and generate revenue in the future. The reason for the delayed sale is that the Group must first increase its supply of horny goat weed to secure higher-quality customers.

FINANCIAL REVIEW

Revenue

During FY2025, the Company recorded revenue from continuing operations of approximately RMB90.2 million (FY2024: approximately RMB47.6 million). The Group's revenue for FY2025 was attributable to the revenue from the forestry business, ginseng business and health products manufacturing and trading business of the Group.

Gross profit and gross profit margin

For FY2025, the Group recorded gross profit of approximately RMB8.2 million (FY2024: approximately RMB1.9 million); and gross profit margin of approximately 9.1% (FY2024: approximately 4.0%). The increase in gross profit was mainly attributed to the overall increase in revenue. Furthermore, the increase in the gross profit margin was primarily driven by the contribution from the Group's new health products business, which was launched in November 2024 and operates with a higher gross profit margin.

Gains Arising from Changes in Fair Value Less Costs to Sell of Timber log and Ginseng

Gains arising from changes in the fair value of Timber log and Ginseng less costs to sell timber log and ginseng were RMB9.0 million during the year (FY2024: RMB9.7 million), representing a decrease of 7.2%.

Selling and distribution expenses

The selling and distribution expenses recognised for FY2025 amounted to approximately RMB0.9 million (FY2024: approximately RMB1.4 million). The selling and distribution costs were mainly attributable to advertising expense.

Administrative expenses

The administrative expenses decreased approximately 27.0% from approximately RMB21.5 million for FY2024 to approximately RMB15.7 million for FY2025. The decrease in administrative expenses was mainly attributable to a reduction in legal expenses, which fell by approximately RMB4.5 million.

Other gains, net

For FY2025, the Group recorded other gains of approximately RMB34.5 million (FY2024: approximately RMB22.2 million). Other gains mainly consisted of net gain on change in fair value less costs to sell of plantation forest assets of approximately RMB30.5 million.

Finance costs

For FY2025, the Group recorded finance costs of approximately RMB3.5 million, representing an increase of approximately 8.5% as compared to approximately RMB3.2 million for FY2024. The finance costs include mainly interests on the Promissory Notes (as defined below), bearing interest annually in arrears at the following rates: nil for the first year, 2% per annum for the second year, 3% per annum for the third year; 4% per annum for the fourth year, and 6% per annum for the fifth year and with the principal amount of HK\$120 million issued on 28 July 2023.

Profit and total comprehensive income attributable to owners of the Company

The Company recorded a profit of approximately RMB22.7 million for FY2025 as compared to approximately RMB200.0 million for FY2024. The total comprehensive income attributable to owners of the Company was approximately RMB28.2 million for FY2025 as compared to approximately RMB204.0 million for FY2024. The substantial decrease was mainly due to the one-off gain of approximately RMB202.0 million on debt restructuring recorded for FY2024.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its daily operations from internally generated cash flows and proceeds from restructuring. As at 30 June 2025, the Group had total assets of approximately RMB205.4 million and net assets of approximately RMB46.7 million. The Group's cash and bank balances as at 30 June 2025 amounted to approximately RMB4.5 million. As at 30 June 2025, there was no unutilised banking facilities (30 June 2024: nil).

Promissory notes (the “**Promissory Notes**”) were issued on 28 July 2023 as part of the restructuring with a principal amount of HK\$120 million equivalent to approximately RMB110.03 million) and have a maturity of five years and carry interest payable annually in arrears at the following rates: nil for the first year, 2% per annum for the second year, 3% per annum for the third year; 4% per annum for the fourth year, and 6% per annum for the fifth year. The principal of the Promissory Notes will be repaid on the maturity date (i.e. 28 July 2028). During FY2025, the Group incurred interest expense of approximately RMB3.3 million, the remaining balance of the Promissory Notes as at 30 June 2025 was approximately RMB115.6 million (as at 30 June 2024: RMB115.2 million).

PLEDGE ON ASSETS

As at 30 June 2025, there was no pledge of assets of the Group (30 June 2024: nil).

SIGNIFICANT INVESTMENT OR ACQUISITIONS AND DISPOSAL

There were no significant investment held or material acquisitions and disposals of subsidiaries during FY2025 and up to the date of this announcement.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group had no future plans for material investments or capital assets as at 30 June 2025.

CAPITAL COMMITMENTS

The Group has no capital commitments as at 30 June 2025 (as at 30 June 2024: nil).

FOREIGN EXCHANGE EXPOSURE AND RELATED HEDGES

The Group's transactions are mainly denominated in Hong Kong dollars and Renminbi. Therefore, the Group is exposed to exchange rate risk. The majority of the Group's cash and bank balances are also denominated in these two currencies. During FY2025, the Group did not experience significant exposure to exchange rate and interest rate fluctuations. Accordingly, the Group has not implemented any foreign currency hedging policy at the moment. However, the management of the Group will constantly review the economic situation, development of each business segment and the overall foreign exchange risk profile, and will consider appropriate hedging measures in the future when necessary.

GEARING RATIO

The gearing ratio of the Group, which is calculated as total liabilities divided by total assets of the Group was approximately 77.3% as at 30 June 2025 (as at 30 June 2024: approximately 92.7%). As at 30 June 2025, the remaining balance of the Promissory Notes as at 30 June 2025 was approximately RMB115.2 million.

CAPITAL STRUCTURE

The share capital of the Company comprises only ordinary shares. As at 30 June 2025, the total number of the ordinary shares of the Company in issue was 859,242,204 shares (as at 30 June 2024: 716,242,204 shares). As at the date of this announcement, the total number of the ordinary shares of the Company in issue was 102,924,220 shares due to the combined effect of the Share Consolidation (as defined below) and the 2025 Placing (as defined below) as detailed in the below sections headed "SHARE CONSOLIDATION" and "EVENTS AFTER THE REPORTING PERIOD". The total equity attributable to owners of the Company was approximately RMB46.7 million (as at 30 June 2024: approximately RMB13.0 million).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group had a total of 29 employees and management personnel as compared to 33 employees and management personnel as at 30 June 2024. Total staff costs for FY2025, including Directors' remuneration, amounted to approximately RMB2.9 million (FY2024: approximately RMB3.3 million). The Group's remuneration policy is in line with the prevailing market standards and is determined on the basis of performance and experience of individual employee. Other employee benefits include contributions to social insurance scheme.

SHARE CONSOLIDATION

On 27 May 2025, the Board proposed to implement the share consolidation on the basis that every ten (10) issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) consolidated share of HK\$0.1 each (the “**Share Consolidation**”).

Pursuant to an ordinary resolution passed on 4 July 2025, the Share Consolidation was approved by the Shareholders and became effective on 8 July 2025. Since then, (i) the total number of issued shares of the Company was adjusted from 859,242,204 to 85,924,220; and (ii) the board lot size for trading on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) changed from 16,000 to 10,000.

For further details, please refer to the announcement of the Company dated 27 May 2025, the circular of the Company dated 13 June 2025 and the poll results announcement of the Company dated 4 July 2025.

SHARE PLACEMENT

On 4 September 2024, the Company announced that it has conditionally agreed to place through Cheong Lee Securities Limited, on a best-effort basis, up to an aggregate of 143,000,000 new shares of the Company at the price of HK\$0.043 per placing share (the “**2024 Placing**”) to raise up to approximately HK\$5.85 million (after deduction of commission and other expenses of the 2024 Placing), representing approximately 16.64% of the then issued share capital of the Company as enlarged by the allotment and issue of all the placing shares. The 2024 Placing was placed to not less than six independent placees at the placing price of HK\$0.043 per placing share on 25 September 2024.

The net proceeds (after deduction of commission and other expenses of the 2024 Placing) raised from the 2024 Placing amounted to approximately HK\$5.85 million were intended to replenish the general working capital of the Group. As at 30 June 2025, the Company has fully utilised the 2024 Placing proceeds as intended.

For further details, please refer to the announcements of the Company dated 4 September 2024 and 10 September 2024.

EVENTS AFTER THE REPORTING PERIOD

Share consolidation

As disclosed above under the section headed “SHARE CONSOLIDATION”, immediately upon the Share Consolidation became effective on 8 July 2025, (i) the total number of issued shares of the Company was adjusted from 859,242,204 to 85,924,220; and (ii) the board lot size for trading on the Stock Exchange changed from 16,000 to 10,000.

Share placement

On 22 July 2025, the Company announced that it has conditionally agreed to place through Cheong Lee Securities Limited, on a best-effort basis, up to an aggregate of 17,000,000 new shares of the Company at the price of HK\$0.28 per placing share (the “**2025 Placing**”) to raise up to approximately HK\$4.63 million (after deduction of placing commission and other expenses of the 2025 Placing), representing approximately 16.52% of the then issued share capital of the Company as enlarged by the allotment and issue of all the placing shares. The 2025 Placing was placed to not less than six independent placees at the placing price of HK\$0.28 per placing share on 1 August 2025.

The net proceeds (after deduction of placing commission and other expenses of the 2025 Placing) raised from the 2025 Placing amounted to approximately HK\$4.63 million were intended to replenish the general working capital of the Group. As at the date of this announcement, the Company has fully utilised the 2025 Placing proceeds as intended.

For further details, please refer to the announcements of the Company dated 22 July 2025 and 1 August 2025.

Saved as disclosed above and in this announcement, there was no other material event which could have material impact to the Group’s operating and financial performance after FY2025 and up to the date of this announcement.

FINAL DIVIDEND

The Board does not recommend the payment of any dividend for FY2025 (FY2024: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including treasury shares (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), if any) during FY2025.

DIRECTORS’ INTEREST IN A COMPETING BUSINESS

During FY2025, the Directors were not aware of any business or interest of the Directors or any substantial shareholder (as defined under the Listing Rules) of the Company and their respective associates that had competed or might compete with the business of the Group and any other conflicts of interests which any such person had or might have with the Group.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s articles of association and the laws of Cayman Islands where the Company is incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICE

The Company has adopted all the code provisions (the “**Code Provisions**”) contained in the Corporate Governance Code (the “**CG Code**”) as set out in the Appendix C1 to the Listing Rules as the Company’s code on corporate governance. The Board shall review and update its code of corporate governance from time to time to ensure its continuous compliance with the CG Code. Throughout FY2025, in the opinion of the Board, the Company complied with all the Code Provisions contained in the CG Code and, where appropriate, adopted the Recommended Best Practices set out in the CG Code, with the exceptions of Code Provisions C.1.8 and D.1.2 as addressed below:

1. Under Code Provision C.1.8, the Company should arrange appropriate insurance cover in respect of any legal action against its Directors and officers. As at 30 June 2025, the Company has not arranged to purchase any Directors and Officers’ Liability Insurance, which covers in respect of legal action against the Directors, as the Directors take the view that the Company shall provide support to the Directors in any events arising from corporate activities;
2. Under Code Provision D.1.2, the management should provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company’s performance, position and prospects in sufficient detail to enable the Board as a whole and each director to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules. Although the management of the Company did not provide a regular monthly update to the members of the Board, the management provides information and updates to the members of the Board from time to time, which the Directors consider to be sufficient and appropriate in the circumstances to enable them to form a balanced and understandable assessment of the Company’s performance and to discharge their duties.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Appendix C3 – Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules. Having made specific enquiry with all the Directors, the Company confirmed that all the Directors have complied with the code of conduct and the required standard of dealings concerning securities transactions by the Directors for FY2025.

SCOPE OF WORK OF JON GEPSOM CPA LIMITED (“JON GEPSOM”)

The figures in respect of the Group’s consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto in respect of FY2025 as set out in this preliminary announcement have been agreed by the Company’s auditor, Jon Gepsom, to the amounts set out in the Group’s consolidated financial statements for the year ended 30 June 2025. The work performed by Jon Gepsom in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Jon Gepsom on the preliminary announcement.

REVIEW BY AUDIT COMMITTEE

The Company established an audit committee (the “**Audit Committee**”) in September 2009 with written terms of reference in compliance with Rules 3.21 to 3.23 of the Listing Rules, which were reviewed from time to time by the Board to keep them in line with the most up-to-date requirements. The primary duties of the Audit Committee are, among other things, to review and supervise the financial reporting process and internal control system of our Group. As at the date of this announcement, the Audit Committee has three members comprising our three independent non-executive Directors, namely Mr. Chau Wing Nam, Mr. Guo Zhonglong and Ms. Liu Shuhua. Mr. Chau Wing Nam has been appointed as the chairman of the Audit Committee.

The Audit Committee reviews the interim and annual reports before submission to the Board. The Audit Committee focuses not only on the impact of the changes in accounting policies and practices but also on the compliance with accounting standards, the Listing Rules and the legal requirements in the review of the Company’s interim and annual reports.

The Audit Committee has reviewed the accounting principles and practices adopted by the Company, the annual results of the Group during FY2025 as well as auditing, internal control and financial reporting matters, including the consolidated financial statements for FY2025. The Audit Committee has no disagreement on the Group’s consolidated financial results contained in this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange and the Company. The annual report for FY2025 will be despatched to the Shareholders by the means of receipt of communications they selected and will be published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
China Health Technology Group Holding Company Limited
Professor Fei Phillip
Chairman and Executive Director

Hong Kong, 30 September 2025

As at the date of this announcement, the Board comprises Professor Fei Phillip, Mr. Wang Yibin and Ms. Bu Xue as executive Directors; and Mr. Guo Zhonglong, Mr. Chau Wing Nam and Ms. Liu Shuhua as independent non-executive Directors.